

Agency Legislative Budget

The following table summarizes the total legislative budget for the agency by year, type of expenditure, and source of funding.

Agency Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	707.48	12.60	0.00	720.08	12.60	0.00	720.08	720.08
Personal Services	27,192,817	4,090,026	0	31,282,843	4,086,032	0	31,278,849	62,561,692
Operating Expenses	15,428,118	3,184,006	0	18,612,124	3,162,026	0	18,590,144	37,202,268
Equipment	358,420	39,000	0	397,420	35,000	0	393,420	790,840
Capital Outlay	0	0	0	0	0	0	0	0
Grants	16,811,904	518,594	0	17,330,498	467,055	0	17,278,959	34,609,457
Benefits & Claims	186,799	0	0	186,799	0	0	186,799	373,598
Transfers	129,297	0	0	129,297	0	0	129,297	258,594
Debt Service	3,775	0	0	3,775	0	0	3,775	7,550
Total Costs	\$60,111,130	\$7,831,626	\$0	\$67,942,756	\$7,750,113	\$0	\$67,861,243	\$135,803,999
General Fund	1,155,525	56,889	401,092	1,613,506	81,280	398,962	1,635,767	3,249,273
State/Other Special	24,912,507	4,728,171	203,325	29,844,003	4,839,182	205,455	29,957,144	59,801,147
Federal Special	33,982,053	3,027,404	(604,417)	36,405,040	2,811,348	(604,417)	36,188,984	72,594,024
Proprietary	61,045	19,162	0	80,207	18,303	0	79,348	159,555
Total Funds	\$60,111,130	\$7,831,626	\$0	\$67,942,756	\$7,750,113	\$0	\$67,861,243	\$135,803,999

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Legislative Budget Analysis, D-119

Executive Budget Comparison

The following table compares the legislative budget for the 2007 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2004	Executive Budget Fiscal 2006	Legislative Budget Fiscal 2006	Leg – Exec. Difference Fiscal 2006	Executive Budget Fiscal 2007	Legislative Budget Fiscal 2007	Leg – Exec. Difference Fiscal 2007	Biennium Difference Fiscal 06-07
FTE	707.48	714.08	720.08	6.00	714.08	720.08	6.00	
Personal Services	27,192,817	31,051,686	31,282,843	231,157	31,048,274	31,278,849	230,575	461,732
Operating Expenses	15,428,118	17,631,967	18,612,124	980,157	17,697,974	18,590,144	892,170	1,872,327
Equipment	358,420	397,420	397,420	0	393,420	393,420	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Grants	16,811,904	16,811,904	17,330,498	518,594	16,811,904	17,278,959	467,055	985,649
Benefits & Claims	186,799	186,799	186,799	0	186,799	186,799	0	0
Transfers	129,297	129,297	129,297	0	129,297	129,297	0	0
Debt Service	3,775	3,775	3,775	0	3,775	3,775	0	0
Total Costs	\$60,111,130	\$66,212,848	\$67,942,756	\$1,729,908	\$66,271,443	\$67,861,243	\$1,589,800	\$3,319,708
General Fund	1,155,525	1,826,079	1,613,506	(212,573)	1,848,340	1,635,767	(212,573)	(425,146)
State/Other Special	24,912,507	27,686,362	29,844,003	2,157,641	27,922,361	29,957,144	2,034,783	4,192,424
Federal Special	33,982,053	36,620,200	36,405,040	(215,160)	36,421,394	36,188,984	(232,410)	(447,570)
Proprietary	61,045	80,207	80,207	0	79,348	79,348	0	0
Total Funds	\$60,111,130	\$66,212,848	\$67,942,756	\$1,729,908	\$66,271,443	\$67,861,243	\$1,589,800	\$3,319,708

For the biennium, the legislative budget is \$3.3 million higher as compared to the executive budget proposal. The legislature made the following major changes:

The decrease in general fund of \$425,146 is the result of not accepting the executive proposal to fund the Displaced Homemaker program with general fund, instead funding the program with the employment security account (ESA).

State special revenue appropriations increased by \$4.2 million primarily due to the following. The legislature:

- Replaced \$447,570 in federal special revenue funding over the biennium with state special revenue in the Unemployment Contribution Bureau to complete the transfer of the Contribution Bureau from the Department of Revenue
- Appropriated an additional \$1.5 million of ESA for 6.00 FTE located in local workforce centers in rural communities and provide additional training to small businesses in those communities
- Revised the requirements for independent contractor registration (\$1.6 million)
- Funded the Displaced Homemaker program with ESA instead of general fund (\$464,820)

Federal special revenue is decreased by \$447,570 due to the new cost allocation plan submitted to the federal Unemployment Insurance Division for collecting the ESA funds with Unemployment Insurance tax.

Agency Highlights

Department of Labor and Industry Major Budget Highlights	
<ul style="list-style-type: none"> ◆ Total funds increase by \$15.5 million for the biennium ◆ General fund increases are due primarily to approved funding switches in several divisions from the employment security account to the general fund of \$938,223 for the biennium ◆ State special revenue increases are primarily due to the following: <ul style="list-style-type: none"> • Funding for the Displaced Homemaker Program was approved with ESA funds instead of general fund of \$425,146 for the biennium • Increased debt collections costs add \$200,000 over the biennium in the Employment Relations Division • The legislature approved \$464,820 of additional state special revenue for the transfer of the Unemployment Contribution Bureau • 6.00 FTE were added in local workforce centers and increased training for small business in rural communities (\$1.5 million) • The legislature revised independent contractor registration (\$1.6 million) ◆ Federal special revenue increases are primarily due to: <ul style="list-style-type: none"> • The transfer of \$1.8 million in on-going costs associated with the transfer of the Unemployment Insurance Contributions Bureau from the Department of Revenue • \$3.2 million in statewide present law adjustments for 43.00 FTE not in the base but funded through present law adjustments 	

Funding

The following table summarizes funding for the agency, by program and source, as adopted by the legislature. Funding for each program is discussed in detail in the individual program narratives that follow.

Total Agency Funding 2007 Biennium Legislative Budget						
Agency Program	General Fund	State Spec.	Fed Spec.	Proprietary	Grand Total	Total %
01 Work Force Services Division	\$ 1,049,467	\$ 17,126,086	\$ 47,947,636	\$ -	\$ 66,123,189	48.69%
02 Unemployment Insurance Divisio	-	1,320,046	17,638,248	-	18,958,294	13.96%
03 Commissioner'S Office/Csd	387,915	1,524,625	924,940	159,555	2,997,035	2.21%
04 Employment Relations Division	1,713,915	14,898,683	1,273,982	-	17,886,580	13.17%
05 Business Standards Division	-	23,823,196	-	-	23,823,196	17.54%
07 Office Of Community Services	97,976	-	4,809,218	-	4,907,194	3.61%
09 Workers Compensation Court	-	1,108,511	-	-	1,108,511	0.82%
Grand Total	<u>\$ 3,249,273</u>	<u>\$ 59,801,147</u>	<u>\$ 72,594,024</u>	<u>\$ 159,555</u>	<u>\$ 135,803,999</u>	<u>100.00%</u>

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	302.45	5.75	0.00	308.20	5.75	0.00	308.20	308.20
Personal Services	11,555,867	1,196,777	0	12,752,644	1,192,116	0	12,747,983	25,500,627
Operating Expenses	4,783,957	241,900	0	5,025,857	195,375	0	4,979,332	10,005,189
Equipment	79,168	0	0	79,168	0	0	79,168	158,336
Capital Outlay	0	0	0	0	0	0	0	0
Grants	14,637,948	457,492	0	15,095,440	467,055	0	15,105,003	30,200,443
Transfers	129,297	0	0	129,297	0	0	129,297	258,594
Total Costs	\$31,186,237	\$1,896,169	\$0	\$33,082,406	\$1,854,546	\$0	\$33,040,783	\$66,123,189
General Fund	363,669	10,727	150,649	525,045	10,726	150,027	524,422	1,049,467
State/Other Special	7,024,859	1,004,172	453,768	8,482,799	1,164,038	454,390	8,643,287	17,126,086
Federal Special	23,797,709	881,270	(604,417)	24,074,562	679,782	(604,417)	23,873,074	47,947,636
Proprietary	0	0	0	0	0	0	0	0
Total Funds	\$31,186,237	\$1,896,169	\$0	\$33,082,406	\$1,854,546	\$0	\$33,040,783	\$66,123,189

Page Reference

Legislative Budget Analysis, D-125

Funding

The Workforce Service Division operations for the biennium are funded with general fund, state special, and federal special revenues.

General fund supports the Jobs for Montana Graduates program (JMG) and the empowerment zone created by the 2003 legislative session under SB 564.

State special revenue includes \$14.5 million in employment security account (ESA) funding and \$4.0 million in workforce investment act sub-grants and contracts, including National Emergency Grants to retrain dislocated workers following a mass lay-off. The Displaced Homemaker Program receives continued funding from the ESA in the 2007 biennium.

Federal funding includes \$20.1 million in workforce investment act (WIA) funds, \$16.3 million in federal labor and industry funds, and \$5.7 million in trade adjustment assistance funding.

The federal funding formulas have remained basically the same as in previous biennia. The funding level is determined by the state's ranking amongst other states within several economic categories. These categories consist of the following:

- The number of unemployed workers
- The unemployment rate
- The number of residents considered economically disadvantaged

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2006-----					-----Fiscal 2007-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services				1,520,603						1,516,330
Vacancy Savings				(523,066)						(522,907)
Inflation/Deflation				(31,444)						(32,399)
Fixed Costs				(70,912)						(69,714)
Total Statewide Present Law Adjustments				\$895,181						\$891,310
DP 6 - Workforce Services Division Operating Adjustments	0.00	0	100,587	125,547	226,134	0.00	0	99,871	126,708	226,579
DP 7 - Statewide FTE Reduction	(0.25)	(10,640)	0	0	(10,640)	(0.25)	(10,605)	0	0	(10,605)
DP 11 - Workforce Training/Staffing in Rural Communities	6.00	0	772,144	0	772,144	6.00	0	733,912	0	733,912
DP 999 - Empowerment Zone	0.00	13,350	0	0	13,350	0.00	13,350	0	0	13,350
Total Other Present Law Adjustments	5.75	\$2,710	\$872,731	\$125,547	\$1,000,988	5.75	\$2,745	\$833,783	\$126,708	\$963,236
Grand Total All Present Law Adjustments				\$1,896,169						\$1,854,546

DP 6 - Workforce Services Division Operating Adjustments - The legislature approved an increase in the department's cost allocation plan of \$202,833 in FY 2006 and \$201,003 in FY 2007 and rent increases in the Research and Analysis Bureau of \$23,301 in FY 2006 and \$25,576 in FY 2007. Funding is from state and federal special revenue.

DP 7 - Statewide FTE Reduction - The legislature approved a reduction of general fund each year to eliminate 0.25 FTE from the division to make permanent a personal services reduction made by the 2003 legislature.

DP 11 - Workforce Training/Staffing in Rural Communities - The legislature approved an additional appropriation from the employment security account (ESA) for additional training and added 6.00 FTE for additional staffing in job service centers located in rural communities throughout Montana.

DP 999 - Empowerment Zone - The legislature approved restoring general fund authority given in the 2003 Legislative session under HB 564, which allows a tax credit for businesses that create new jobs within empowerment zones.

New Proposals

New Proposals										
-----Fiscal 2006-----					-----Fiscal 2007-----					
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - General Fund/ESA/Reed Act Funding Switch										
01	0.00	150,649	453,768	(604,417)	0	0.00	150,027	454,390	(604,417)	0
Total	0.00	\$150,649	\$453,768	(\$604,417)	\$0	0.00	\$150,027	\$454,390	(\$604,417)	\$0

DP 1 - General Fund/ESA/Reed Act Funding Switch - The legislature approved a funding switch from the one-time distribution of reed act funds to general fund and ESA funds. In the 2003 legislative session, general fund was replaced with ESA funds and back-filled with reed act funds in Jobs for Montana Graduates and Displaced Homemakers programs. The legislature approved funding Jobs for Montana Graduates with general fund and funded the Displaced Homemaker program with ESA funds.

Proprietary Rates**Proprietary Program Description**

The Montana Career Information System (MCIS) has been active in Montana since 1980. The purpose of MCIS is to deliver current career and labor market information to Montanans in an easy-to-use and easy-to-understand format. This is the only career information delivery system in the country that has specific Montana labor market information included in each file. MCIS is currently being used at over 200 sites throughout the state by a wide variety of users including: job service offices, vocational rehabilitation offices, high schools, community colleges, universities, tribal colleges, educational and training agencies, and adult education programs.

Proprietary Revenues and Expenses

Revenue comes to MCIS by billing users for the software and licensing. The working capital (60 day) for FY 2006 is \$23,066.

Proprietary Rate Explanation

The fees charged by MCIS are not to exceed \$1,500 per site. High schools with enrollments over 200, all postsecondary schools, and all agencies and businesses are charged \$1,150 per year. Smaller high schools are charged \$575-977 depending on enrollment, and school districts are charged \$2,000 per year. Discounted rates are available for small schools and groups.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	150.50	6.00	0.00	156.50	6.00	0.00	156.50	156.50
Personal Services	4,394,003	1,862,001	0	6,256,004	1,859,575	0	6,253,578	12,509,582
Operating Expenses	2,491,240	731,017	0	3,222,257	713,943	0	3,205,183	6,427,440
Equipment	7,126	0	0	7,126	0	0	7,126	14,252
Benefits & Claims	(265)	0	0	(265)	0	0	(265)	(530)
Transfers	0	0	0	0	0	0	0	0
Debt Service	3,775	0	0	3,775	0	0	3,775	7,550
Total Costs	\$6,895,879	\$2,593,018	\$0	\$9,488,897	\$2,573,518	\$0	\$9,469,397	\$18,958,294
State/Other Special	127,613	532,410	0	660,023	532,410	0	660,023	1,320,046
Federal Special	6,768,266	2,060,608	0	8,828,874	2,041,108	0	8,809,374	17,638,248
Total Funds	\$6,895,879	\$2,593,018	\$0	\$9,488,897	\$2,573,518	\$0	\$9,469,397	\$18,958,294

Page Reference

Legislative Budget Analysis, D-130

Funding

The Unemployment Insurance Division (UI) is funded with state special and federal special revenue. State special revenue consists of the employment security account (ESA) and information exchange/rental funds. Federal special revenue are derived from UI administrative grants and UI penalty and interest.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2006-----					-----Fiscal 2007-----					
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services				1,824,946					1,822,877	
Vacancy Savings				(248,759)					(248,675)	
Inflation/Deflation				(8,404)					(8,582)	
Fixed Costs				34,830					35,368	
Total Statewide Present Law Adjustments				\$1,602,613					\$1,600,988	
DP 5 - Transfer UI Contributions Bureau from DOR to DLI	3.00	0	532,410	298,803	831,213	3.00	0	532,410	298,237	830,647
DP 7 - Unemployment Insurance Division Budget Adjustments	3.00	0	0	141,942	141,942	3.00	0	0	141,883	141,883
DP 8 - SUTA Dumping - Programming Changes - OTO	0.00	0	0	17,250	17,250	0.00	0	0	0	0
Total Other Present Law Adjustments										
	6.00	\$0	\$532,410	\$457,995	\$990,405	6.00	\$0	\$532,410	\$440,120	\$972,530
Grand Total All Present Law Adjustments				\$2,593,018					\$2,573,518	

DP 5 - Transfer UI Contributions Bureau from DOR to DLI - The legislature approved additional state special revenue from the ESA and federal special revenue from UI administrative grants to complete the transfer of the Contributions

Bureau from the Department of Revenue. The increases include the following:

- Increased expenditures for 6 leased vehicles for field auditors at \$32,175 per year
- Indirect costs of \$152,585 in FY 2006 and \$152,415 in FY 2007 to support centralized services in the Department of Labor and Industry
- Funding for 3.00 additional FTE: 1) 1.00 FTE for computer support for the transferred UI staff; and 2) 2.00 FTE for ongoing programming on the MAC UI tax system. Total personal services costs are \$166,913 in FY 2006 and \$167,517 in FY 2007
- Computer processing and telephone charges from the Department of Administration of \$295,000 per year.
- Rental of non-state building of \$80,000 per year
- Printing, photocopying, postage, and miscellaneous office expenditures of \$79,500 per year

DP 7 - Unemployment Insurance Division Budget Adjustments - The legislature approved additional federal funding authority from UI administrative grants for the following:

- Restoration of per diem for the Board of Labor Appeals for \$8,000 a year. The per diem request equals the base year expenditure
- Indirect costs of \$38,041 in FY 2006 and \$38,027 in FY 2007
- Funding for 2.00 FTE in the claims processing center to serve as customer service representatives, and additional funding for 1.00 FTE as a collection technician; total funding costs approximately \$95,000 per year

DP 8 - SUTA Dumping - Programming Changes - OTO - The legislature appropriated federal special revenue contingent on passage and approval of HB 159, which revises unemployment insurance and state unemployment tax (SUTA) dumping laws.

Language

The legislature approved the following language for inclusion in HB2:

“SUTA Dumping is contingent on passage and approval of House Bill No. 159.”

Proprietary Rates

Proprietary Program Description

The Department of Labor and Industry (DLI) collects the contributions paid by employers, based on their industry or individual experience rate, to pay for unemployment insurance. DLI expends the funds by paying Unemployment Insurance benefit claims.

Proprietary Revenues and Expenses

The revenues received in the proprietary fund are for the Unemployment Insurance Program tax collections, federal reimbursement for claims on federal employees, military personnel, and claimants in other states, and interest earnings to the Unemployment Insurance Trust Fund. The expenditures are unemployment insurance benefits paid to claimants while unemployed, including federal withholding tax and child support payments the claimants have elected to have taken out of the benefit check.

Proprietary Rate Explanation

The Unemployment Insurance Division administers the state unemployment insurance law. There is no proprietary rate but a collection of contributions, based upon past claim history, from employers that are then used to pay the unemployment insurance benefits to claimants who have involuntarily become unemployed.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	20.00	0.00	0.00	20.00	0.00	0.00	20.00	20.00
Personal Services	976,246	241,151	0	1,217,397	240,592	0	1,216,838	2,434,235
Operating Expenses	247,942	32,590	0	280,532	34,326	0	282,268	562,800
Total Costs	\$1,224,188	\$273,741	\$0	\$1,497,929	\$274,918	\$0	\$1,499,106	\$2,997,035
General Fund	115,598	22,348	56,194	194,140	22,075	56,102	193,775	387,915
State/Other Special	648,139	170,080	(56,194)	762,025	170,563	(56,102)	762,600	1,524,625
Federal Special	399,499	62,058	0	461,557	63,884	0	463,383	924,940
Proprietary	60,952	19,255	0	80,207	18,396	0	79,348	159,555
Total Funds	\$1,224,188	\$273,741	\$0	\$1,497,929	\$274,918	\$0	\$1,499,106	\$2,997,035

Page Reference

Legislative Budget Analysis, D-134

Funding

The Commissioner's Office and Legal and Centralized Services Division are funded from the following sources:

- General fund accounts for 13 percent of division funding, and is used for expenditures associated with Centralized Services Division support of the Human Rights Bureau in the Employment Relations Division. This function was funded with ESA funds in the 2005 biennium
- State special revenue comprises 51 percent of funding and is mixture of employment security account (ESA), Building Codes Bureau, worker's comp regulation, Board of Medical Examiners, Board of Nursing, and the uninsured employer fund
- Federal special revenue accounts for 31 percent of funding and is derived from the UI administration grants and the Equal Employment Opportunity Commission
- Proprietary funding from the department's internal cost allocation plan accounts for 5 percent of the department's funding (for further information on the department's cost allocation plan, refer to proprietary rates at the end of this program)

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2006-----						-----Fiscal 2007-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				291,874						291,296
Vacancy Savings				(50,723)						(50,704)
Inflation/Deflation				(2,307)						(2,295)
Fixed Costs				6,877						7,266
Total Statewide Present Law Adjustments				\$245,721						\$245,563
DP 8 - Commissioner's Office/CSD - Base Adjustment	0.00	2,454	18,738	5,565	28,020*	0.00	2,698	18,959	6,266	29,355*
Total Other Present Law Adjustments	0.00	\$2,454	\$18,738	\$5,565	\$28,020*	0.00	\$2,698	\$18,959	\$6,266	\$29,355*
Grand Total All Present Law Adjustments				\$273,741*						\$274,918*

DP 8 - Commissioner's Office/CSD - Base Adjustment - The legislature approved additional funding for an increase in indirect costs to support the Centralized Services Division. The funding sources include general fund, state special revenues, federal special revenues, and proprietary funding.

New Proposals

New Proposals										
-----Fiscal 2006-----						-----Fiscal 2007-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3 - General Fund/ESA Fund Switch										
03	0.00	56,194	(56,194)	0	0	0.00	56,102	(56,102)	0	0
Total	0.00	\$56,194	(\$56,194)	\$0	\$0	0.00	\$56,102	(\$56,102)	\$0	\$0

DP 3 - General Fund/ESA Fund Switch - The legislature approved restoring general fund of approximately \$56,000 each year to the Human Rights Bureau. General fund was replaced in the 2003 Legislative session with ESA funding as a one-time only funding switch in the Human Rights Bureau.

Proprietary Rates

Proprietary Program Description

Cost Allocation Plan (CAP) - The Commissioner's Office and Centralized Services Division are funded through a cost allocation plan under which the other divisions in the department are assessed a percentage of their personal services costs to support centralized functions.

Technical Services Bureau- The bureau recovers costs for services to provide traffic control of data input, jobs for the mainframe computer system, and report output.

Hearings Bureau- The bureau is responsible for providing administrative hearings to the Business Standards Division's boards and the Building Codes Bureau.

Proprietary Revenues and Expenses

There are no changes in projected services from the 2005 biennium. The goal of the program is to assess costs of centralized functions equitably to all divisions to keep fees commensurate with costs while maintaining a 60-day working capital.

Proprietary Rate Explanation

Cost Allocation Plan- The CAP rate is determined by dividing projected non-CAP personal services expenditures by the projected costs of providing centralized services.

Technical Services Bureau- Users are directly charged for the services received and are billed quarterly. Charges are estimated during the budget submission process, and actual costs incurred are charges to the appropriate division/bureau.

Hearings Bureau- Attorneys and legal assistants charge their time based on hourly rates.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	116.50	(0.15)	0.00	116.35	(0.15)	0.00	116.35	116.35
Personal Services	5,271,367	140,445	0	5,411,812	137,758	0	5,409,125	10,820,937
Operating Expenses	2,396,068	946,108	0	3,342,176	896,709	0	3,292,777	6,634,953
Equipment	28,281	0	0	28,281	0	0	28,281	56,562
Benefits & Claims	187,064	0	0	187,064	0	0	187,064	374,128
Total Costs	\$7,882,780	\$1,086,553	\$0	\$8,969,333	\$1,034,467	\$0	\$8,917,247	\$17,886,580
General Fund	652,774	10,579	193,506	856,859	12,192	192,090	857,056	1,713,915
State/Other Special	6,599,569	1,070,499	(193,506)	7,476,562	1,014,642	(192,090)	7,422,121	14,898,683
Federal Special	630,437	5,475	0	635,912	7,633	0	638,070	1,273,982
Total Funds	\$7,882,780	\$1,086,553	\$0	\$8,969,333	\$1,034,467	\$0	\$8,917,247	\$17,886,580

Page Reference

Legislative Budget Analysis, D-138

Funding

The five Employment Relations Division (ERD) services areas are funded with several sources of funds:

- General fund supports a portion of the Human Rights Bureau and the Silicosis and Social Security Benefit program, accounting for 9.5 percent of division funding
- State special revenue funds account for 83 percent of total funding within the division, being comprised of: industrial accident rehab; employment security account, which funded a portion of the Human Rights Bureau in the 2005 biennium; uninsured employer fund; workers comp regulation; and fees paid for the independent contractor exemption and contractor registration
- Federal funding comprises 7.5 percent of total funding for the division and is derived from coal mine safety, on-site consultation, and the equal employment opportunity account
- Proprietary funds from the subsequent injury account provide benefits to assist disabled individuals in becoming employed by offering financial incentives to those employers who hire them and account for less than 1 percent of total funding for ERD

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2006-----					-----Fiscal 2007-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					361,661					358,827
Vacancy Savings					(225,324)					(225,205)
Inflation/Deflation					(35,158)					(34,566)
Fixed Costs					(32,511)					(31,379)
Total Statewide Present Law Adjustments					\$68,668					\$67,677
DP 1 - Statewide FTE Reduction	(0.15)	(8,492)	0	0	(8,492)	(0.15)	(8,464)	0	0	(8,464)
DP 3 - Independent Contractor Registration Revisions	0.00	0	812,490	0	812,490	0.00	0	792,954	0	792,954
DP 9 - Employment Relations Div - Base Adjustment	0.00	5,053	149,932	8,902	163,887	0.00	6,723	165,628	9,949	182,300
DP 10 - One-Time-Only contract with INGENIX	0.00	0	50,000	0	50,000	0.00	0	0	0	0
Total Other Present Law Adjustments	(0.15)	(\$3,439)	\$1,012,422	\$8,902	\$1,017,885	(0.15)	(\$1,741)	\$958,582	\$9,949	\$966,790
Grand Total All Present Law Adjustments					\$1,086,553					\$1,034,467

DP 1 - Statewide FTE Reduction - The legislature approved a reduction of general fund each year to eliminate 0.15 FTE from the division to make permanent a personal services reduction made by the 2003 Legislature.

DP 3 - Independent Contractor Registration Revisions - The legislature appropriated additional state special revenue for revising requirements for independent contractor registration. This appropriation is contingent upon passage and approval of HB 108.

DP 9 - Employment Relations Div - Base Adjustment - The legislature approved a mixture of general fund, state special revenue, and federal special revenue authority for the following:

- Restoring of per diem expenses for two boards (Board of Personnel Appeals and Human Rights Commission) for \$12,600 per year.
- Funding authority increases for the agency's indirect cost allocation plan of \$45,189 in FY 2006, and \$60,122 in FY 2007
- Debt collection cost for the uninsured employers' fund (UEF) of \$100,000 per year; funding is from the UEF

DP 10 - One-Time-Only contract with INGENIX - The legislature approved a one-time-only appropriation of \$50,000 from the Workers' Comp Regulation fund in FY 2006 to update a new medical fee schedule, which is used as the basis for Medicare and Medicaid reimbursements.

New Proposals

New Proposals										
-----Fiscal 2006-----					-----Fiscal 2007-----					
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2 - General Fund/ESA Fund Switch										
04	0.00	193,506	(193,506)	0	0	0.00	192,090	(192,090)	0	0
Total	0.00	\$193,506	(\$193,506)	\$0	\$0	0.00	\$192,090	(\$192,090)	\$0	\$0

DP 2 - General Fund/ESA Fund Switch - The legislature approved restoring general fund for the Human Rights Bureau. General fund was replaced with state special revenue (employment security account) in the 2003 legislative session as a one-time-only funding switch in the Human Rights Bureau.

Language

The legislature approved the following language for inclusion in HB2:

“If Senate Bill No. 108 is not passed and approved, Employment Relations Division is reduced by \$812,490 in state special revenue in fiscal year 2006 and by \$792,954 in state special revenue in fiscal year 2007.”

Proprietary Rates**Proprietary Program Description**

The Subsequent Injury Fund was established in 1973 to assist disabled persons in becoming employed by offering a financial incentive to the employers who hire them. The incentive has a limit of 104 weeks of benefits paid by the employee's workers' compensation carrier in the event of an on-the-job injury to the certified employee, thus minimizing workers' compensation expenses. Beginning July 1, 1999, the fund is maintained by annual assessment of all Montana Workers' compensation insurers, including self-insured employers, private insurers, and the State Fund. The asset balance is maintained at approximately \$1,700,000 to provide an operating balance for payment of benefits and administrative costs.

Proprietary Revenues and Expenses

Beginning July 1, 1999, the fund is maintained by an annual assessment on all workers' compensation policyholders, which is collected by all Montana workers' compensation insurers. The assessment is statutorily set (Title 39-71-915 MCA) at the amount expended by the fund for the benefit payments plus the cost of administration in the previous calendar year, less other income. The assessment is allocated among Plan 1, Plan 2, and Plan 3 insurers based on their compensation and medical payments for the previous calendar year. Thus, any rate beyond one year into the future is an unknown, and based solely on the insured's current year's use.

Proprietary Rate Explanation

The assessment for the Subsequent Injury Fund is allocated among insurers based on their compensation and medical payments for the previous calendar year per 39-71-915, MCA.

Program Legislative Budget

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	109.03	0.00	0.00	109.03	0.00	0.00	109.03	109.03
Personal Services	4,528,538	545,157	0	5,073,695	551,971	0	5,080,509	10,154,204
Operating Expenses	5,295,151	1,186,147	0	6,481,298	1,250,713	0	6,545,864	13,027,162
Equipment	243,845	39,000	0	282,845	35,000	0	278,845	561,690
Grants	9,519	61,102	0	70,621	0	0	9,519	80,140
Benefits & Claims	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
Total Costs	\$10,077,053	\$1,831,406	\$0	\$11,908,459	\$1,837,684	\$0	\$11,914,737	\$23,823,196
State/Other Special	10,076,960	1,831,499	0	11,908,459	1,837,777	0	11,914,737	23,823,196
Proprietary	93	(93)	0	0	(93)	0	0	0
Total Funds	\$10,077,053	\$1,831,406	\$0	\$11,908,459	\$1,837,684	\$0	\$11,914,737	\$23,823,196

Page Reference

Legislative Budget Analysis, D-144

Funding

The Business Standards Division is funded exclusively with state special revenue.

- Building Codes Bureau, which is funded from inspection fees deposited into the building codes state special revenue fund
- Weights and Measures Bureau, which derives revenue primarily from annual license fees levied against all commercial weighing or measuring devices, including scales and gas pumps certified by the bureau
- Health Care Licensing Bureau, which is funded with state special revenue from the licensing boards and programs it oversees
- Business and Occupational Licensing Bureau, which is funded with state special revenue from the licensing boards and programs it oversees

The proprietary funds are based on legislatively approved rates, and are not appropriated in HB 2; therefore, they are not shown in the table.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments										
-----Fiscal 2006-----						-----Fiscal 2007-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services				578,791					581,563	
Vacancy Savings				(204,291)					(204,399)	
Inflation/Deflation				(18,267)					(18,144)	
Fixed Costs				8,472					15,910	
Total Statewide Present Law Adjustments				\$364,705					\$374,930	
DP 11 - Health Care Licensing Bureau - Base Adj.	0.00	0	585,929	0	585,929	0.00	0	613,901	0	613,901
DP 12 - Business & Occupational Licensing Bureau-Base Adj	0.00	0	464,011	0	464,011	0.00	0	478,897	0	478,897
DP 13 - Building Codes Bureau - Base Adj.	0.00	0	137,181	0	137,181	0.00	0	157,210	0	157,210
DP 14 - Weights & Measures Bureau - Base Adj.	0.00	0	81,556	0	81,556	0.00	0	79,812	0	79,812
DP 18 - Legal Contingency Fund	0.00	0	70,000	0	70,000	0.00	0	70,000	0	70,000
DP 30 - Occupational Board Increases	0.00	0	26,000	0	26,000	0.00	0	26,000	0	26,000
DP 113 - Country of Origin Placarding	0.00	0	26,784	0	26,784	0.00	0	26,784	0	26,784
DP 115 - Business & Occupational Licensing Regulation	0.00	0	75,240	0	75,240	0.00	0	10,150	0	10,150
Total Other Present Law Adjustments										
	0.00	\$0	\$1,466,701	\$0	\$1,466,701	0.00	\$0	\$1,462,754	\$0	\$1,462,754
Grand Total All Present Law Adjustments				\$1,831,406					\$1,837,684	

DP 11 - Health Care Licensing Bureau - Base Adj. - The legislature approved additional increases in state special revenue authority for the following items:

- Restore per diem of \$86,800 in FY 2006 and \$89,500 in FY 2007
- Add indirect costs and recharges of \$289,425 in FY 2006 and \$328,635 in FY 2007 to support the Centralized Services Division
- Add contracted professional services of \$105,240 in FY 2006 and \$102,302 in FY 2007
- Provide additional travel for board members of \$76,228 per year

DP 12 - Business & Occupational Licensing Bureau-Base Adj - The legislature approved additional increases in state special revenue authority for the following items:

- Restoration of per diem of \$46,050 in FY 2006 and \$47,500 in FY 2007
- Additional indirect costs and recharges of \$291,025 in FY 2006 and \$321,610 in FY 2007 to support Centralized Services Division
- Restore overtime of \$16,530 per year
- Additional travel for board members of \$37,580 per year
- Contracted professional services of \$40,646 in FY 2006 and \$41,147 in FY 2007

DP 13 - Building Codes Bureau - Base Adj. - The legislature approved additional state special revenue authority from the building codes fund account for the following items:

- Indirect costs and recharges of \$72,008 in FY 2006 and \$90,537 in FY 2007
- Information technology increases in the server database of \$16,000 per year, and connectivity charges for bureau staff of \$20,175 per year
- Lodging, meals, and gasoline for \$27,498 a year

DP 14 - Weights & Measures Bureau - Base Adj. - The legislature approved additional state special revenue from the weights and measures fund account for the following items:

- Indirect costs and recharges of \$12,655 in FY 2006 and \$14,250 in FY 2007
- Building lease for the Weights and Measures Lab for \$16,173 in FY 2006 and \$16,834 in FY 2007
- Purchase of one pickup truck in FY 2006 for \$23,000 and two van bodies for \$16,000. In FY 2007 replacement of one service truck, van body, hoist, and weight carts for \$35,000

DP 18 - Legal Contingency Fund - The legislature approved reestablishing the legal contingency fund for \$70,000 each year for the Business and Occupational and Health Care Licensing Bureaus.

DP 30 - Occupational Board Increases - The legislature appropriated additional state special revenue for additional board members for the Board of Athletics and the Board of Public Accountants.

DP 113 - Country of Origin Placarding - The legislature appropriated state special revenue to implement country of origin placarding, contingent upon passage and approval of HB 406. Origin placarding will require a country of origin placard on specific commodities offered for sale in Montana.

DP 115 - Business & Occupational Licensing Regulation - The legislature appropriated additional state special revenue for new regulations and licensure requirements for elevator contractors, mechanics, and inspectors. This decision package is contingent upon passage and approval of SB 412.

Language

The legislature approved the following language for inclusion in HB2:

“If House Bill No. 406 is not passed and approved, Business Standards Division is reduced by \$26,784 in state special revenue in fiscal years 2006 and 2007.”

“If Senate Bill No. 412 is not passed and approved, Business Standards Division is reduced by \$75,240 of state special revenue in fiscal year 2006 and \$10,150 of state special revenue in fiscal year 2007.”

Proprietary Rates

Proprietary Program Description

The Business Standards Division maintains an internal service fund to provide administrative and support services to its 4 bureaus and 34 boards. Common costs of operation, including a 60-day working capital, are assessed through recharges to the various state special revenue accounts on an equitable basis.

Proprietary Revenues and Expenses

Division level operating costs are assessed to the four bureaus on an FTE basis, with assessments as follows: Building Codes Bureau – 44.8 percent, Weights and Measures Bureau – 8.2 percent, Health Care Licensing Bureau – 22.4 percent, and Business and Occupational Licensing Bureau – 24.6 percent. The division level, bureau level, and legal services operating costs assessments for HCLB & BOLB are passed through to the boards and programs located in each bureau on the basis of board/program-direct allocation of FTE. The boards listed by bureau are as follows:

HCLB

Bd. of Chiropractors
 Bd. of Dentistry
 Bd. of Hearing Aid Dispensers
 Bd. of Respiratory Care Practice
 Bd. of Alternative Health Care
 Bd. of Medical Examiners
 Bd. of Funeral Services
 Bd. of Nursing
 Bd. of Nursing Home Admin.
 Bd. of Optometry
 Bd. of Pharmacy
 Bd. of Veterinary Medicine
 Bd. of Psychologists
 Bd. of Speech Pathologists
 Bd. of Radiologic Tech.
 Bd. of Social Workers & Prof Counselors
 Bd. of Physical Therapists
 Bd. of Occupational Therapists
 Bd. of Clinical Lab. Science Practice
 Licensed Addiction Counselors

BOLB

Bd. of Architects
 Bd. of Athletics
 Bd. of Barbers/Cosmetologists
 State Electrical Board
 Bd. of Outfitters
 Bd. of Prof. Eng. & Land Surveyors
 Bd. of Public Accountants
 Bd. of Realty Regulation
 Board of Real Estate Appraisers
 Bd. of Sanitarians
 Bd. of Private Sec. Patrol Officers
 Bd. of Landscape Architects
 Bd. of Plumbers
 Fire Prevention Installers License
 Boiler, Blaster, Crane License

Proprietary Rate Explanation

Recharge rates are allocated to the state special revenue accounts based upon projected expenditures. Each program is assigned a percentage rate based on assigned FTE. That percentage is then applied to determine each program's share of the necessary revenues. Legal services expenditures are part of the overall recharge amounts, but fall under Centralized Services Division's budget rather than in the Business Standards Division.

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	4.00	0.00	0.00	4.00	0.00	0.00	4.00	4.00
Personal Services	142,543	15,564	0	158,107	16,031	0	158,574	316,681
Operating Expenses	103,389	15,664	0	119,053	39,197	0	142,586	261,639
Grants	2,164,437	0	0	2,164,437	0	0	2,164,437	4,328,874
Total Costs	\$2,410,369	\$31,228	\$0	\$2,441,597	\$55,228	\$0	\$2,465,597	\$4,907,194
General Fund	23,484	13,235	743	37,462	36,287	743	60,514	97,976
State/Other Special	743	0	(743)	0	0	(743)	0	0
Federal Special	2,386,142	17,993	0	2,404,135	18,941	0	2,405,083	4,809,218
Total Funds	\$2,410,369	\$31,228	\$0	\$2,441,597	\$55,228	\$0	\$2,465,597	\$4,907,194

Page Reference

Legislative Budget Analysis, D-151

Funding

Federal funds provide 98 percent of total funding for the Office of Community Services (OCS) program with the remainder provided by general fund. The required state match for the program administration grant is funded by general fund.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments									
-----Fiscal 2006-----					-----Fiscal 2007-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				22,152					22,638
Vacancy Savings				(6,588)					(6,607)
Inflation/Deflation				(56)					(53)
Fixed Costs				1,341					1,455
Total Statewide Present Law Adjustments				\$16,849					\$17,433
DP 19 - Office of Community Services - Base Adj.	0.00	328	0	1,310	0.00	420	0	1,679	2,099
DP 21 - Office of Community Service Funding Match	0.00	12,741	0	0	0.00	35,696	0	0	35,696
Total Other Present Law Adjustments	0.00	\$13,069	\$0	\$1,310	0.00	\$36,116	\$0	\$1,679	\$37,795
Grand Total All Present Law Adjustments				\$31,228					\$55,228

DP 19 - Office of Community Services - Base Adj. - The legislature approved additional general fund and federal special revenues for increases in indirect costs that support the administrative functions in the Centralized Services Division.

DP 21 - Office of Community Service Funding Match - The legislature approved general fund authority for the required state match of 100 percent of the administrative grant received from the Corporation for National Service. The OCS

receives a federal grant from the Corporations for National Service each year for \$2.4 million; within the grant is an administrative grant for \$143,000.

New Proposals

New Proposals										
Program	FTE	Fiscal 2006				Fiscal 2007				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 4 - General Fund/ESA Fund Switch										
07	0.00	743	(743)	0	0	0.00	743	(743)	0	0
Total	0.00	\$743	(\$743)	\$0	\$0	0.00	\$743	(\$743)	\$0	\$0

DP 4 - General Fund/ESA Fund Switch - The legislature approved restoring general fund that was replaced with employment security account funds in the 2003 legislative session as a one-time-only funding switch

Program Legislative Budget

The following table summarizes the legislative budget proposal for the program by year, type of expenditure, and source of funding.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Leg. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Leg. Budget Fiscal 2007	Total Leg. Budget Fiscal 06-07
FTE	5.00	1.00	0.00	6.00	1.00	0.00	6.00	6.00
Personal Services	324,253	88,931	0	413,184	87,989	0	412,242	825,426
Operating Expenses	110,371	30,580	0	140,951	31,763	0	142,134	283,085
Total Costs	\$434,624	\$119,511	\$0	\$554,135	\$119,752	\$0	\$554,376	\$1,108,511
State/Other Special	434,624	119,511	0	554,135	119,752	0	554,376	1,108,511
Total Funds	\$434,624	\$119,511	\$0	\$554,135	\$119,752	\$0	\$554,376	\$1,108,511

Page Reference

Legislative Budget Analysis, D-154

Funding

The Workers Compensation Court is exclusively funded with workers compensation regulation funds from assessments on employers, insurers, and state funds. This fund was formed to pay for workers compensation regulation.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget adopted by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments									
-----Fiscal 2006-----					-----Fiscal 2007-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				24,580					23,843
Vacancy Savings				(13,952)					(13,925)
Inflation/Deflation				(1,510)					(1,478)
Fixed Costs				(1,873)					(1,876)
Total Statewide Present Law Adjustments				\$7,245					\$6,564
DP 20 - Workers' Compensation Court - Base Adj.	0.00	23,963	0	23,963	0.00	0	25,117	0	25,117
DP 902 - Workers' Compensation Staff Attorney	1.00	0	88,303	88,303	1.00	0	88,071	0	88,071
Total Other Present Law Adjustments	1.00	\$0	\$112,266	\$112,266	1.00	\$0	\$113,188	\$0	\$113,188
Grand Total All Present Law Adjustments				\$119,511					\$119,752

DP 20 - Workers' Compensation Court - Base Adj. - The legislature approved additional state special revenue authority for travel, contracted services, and rent increases. The source of the state special revenue is the workers' compensation regulation fund (WCR).

DP 902 - Workers' Compensation Staff Attorney - The legislature approved additional funding to hire one additional staff attorney for the Workers' Compensation Court (WCC). The source of the state special revenue is the WCR fund.